

Senate Bill 55

By: Senators Seabaugh of the 28th and Balfour of the 9th

AS PASSED

AN ACT

To amend Chapter 3 of Title 43 of the Official Code of Georgia Annotated, relating to accountants, so as to change the composition of the state board of accountancy; to repeal certain provisions relating to registered public accountants; to provide that public accountants shall upon application be certificated as certified public accountants; to remove references to registered public accountants; to change certain provisions relating to use of titles and devices, false or fraudulent claims, and regulation of solicitation of employment; to amend Chapter 40 of Title 43 of the Official Code of Georgia Annotated, relating to real estate brokers and salespersons, so as to remove references to registered public accountants; to amend Article 13 of Chapter 1 of Title 7 of the Official Code of Georgia Annotated, relating to licensing of mortgage lenders and mortgage brokers, so as to remove references to registered public accountants; to amend Chapter 12 of Title 16 of the Official Code of Georgia Annotated, relating to offenses against health and morals, so as to remove references to registered public accountants; to provide for related matters; to provide an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Chapter 3 of Title 43 of the Official Code of Georgia Annotated, relating to accountants, is amended by striking subsection (b) of Code Section 43-3-3, relating to the members of the State Board of Accountancy, and inserting in lieu thereof a new subsection (b) to read as follows:

"(b) The board shall consist of seven members, to be appointed by the Governor with the approval of the Senate. Each member of the board shall be a resident of this state. Six members of the board shall be certified public accountants, all of whom shall hold a permit to practice public accounting issued under Code Section 43-3-24. One member shall be appointed from the public at large and shall be a person to whom neither this state nor any other state has ever issued a certificate, registration, license, or permit to engage in the practice of public accounting. The person serving on the board on June 30, 2005, as a registered public accountant member of the board shall serve the remainder of the term to

which such person was appointed as one of the certified public accountant members of the board."

SECTION 2.

Said chapter is further amended by striking Code Section 43-3-13, relating to requirements for certificate of "registered public accountant," and inserting in its place the following:

"43-3-13.

Notwithstanding any other provision of this chapter, on and after July 1, 2005, each registered public accountant who holds a live permit and who is in good standing shall be certificated as a certified public accountant. On and after July 1, 2005, the board shall not consider any application for a certificate of registered public accountant."

SECTION 3.

Said chapter is further amended by repealing Code Section 43-3-14, relating to examinations for registered public accountants, and inserting in its place the following:

"43-3-14.

Reserved."

SECTION 4.

Said chapter is further amended by repealing Code Section 43-3-16, relating to certificate holder as "registered public accountant," and inserting in its place the following:

"43-3-16.

Reserved."

SECTION 5.

Said chapter is further amended by repealing Code Section 43-3-18, relating to reciprocity for registered public accountants, and inserting in its place the following:

"43-3-18.

Reserved."

SECTION 6.

Said chapter is further amended by repealing Code Section 43-3-19, relating to persons holding registered public accountant certificates as of July 1, 1977, and inserting in its place the following:

"43-3-19.

Reserved."

SECTION 7.

Said chapter is further amended by striking subsection (b) of Code Section 43-3-21, relating to registration requirements for firms of public accountants or certified public accountants; by redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d), respectively; and by striking subsection (a) and inserting in its place the following:

"(a) A firm practicing public accountancy in this state shall register with the board as a firm of certified public accountants, provided it meets the following requirements:

- (1) Each partner, member, or shareholder of the firm shall be a certified public accountant of some state in good standing;
- (2) The firm shall be in compliance with all requirements and provisions of state law governing the organizational form of the firm;
- (3) The firm shall comply with all regulations pertaining to firms registered with the board; and
- (4) The resident manager of the office of the firm and each partner, member, or shareholder thereof personally engaged within this state in the practice of public accountancy shall be a certified public accountant of this state in good standing."

SECTION 8.

Said chapter is further amended by striking subsection (a) and paragraph (1) of subsection (b) of Code Section 43-3-24, relating to issuance of permits to practice accountancy and issuance of temporary permits to nonresidents, and inserting in their place the following:

"(a) A permit to engage in the practice of public accountancy in this state shall be issued by the division director, at the direction of the board, to each person who is certificated as a certified public accountant under Code Sections 43-3-6 through 43-3-12 or registered as a foreign accountant under Code Section 43-3-20 who shall have furnished evidence, satisfactory to the board, of compliance with the requirements of Code Section 43-3-25, and to individuals and firms registered under Code Section 43-3-21, provided that such entities are maintained and registered as required under Code Sections 43-3-21 and 43-3-23. There shall be a biennial permit fee in an amount to be determined by the board."

"(1) An applicant for a temporary permit under this subsection shall show that he or she is duly licensed and authorized to practice as a certified public accountant or as a firm of certified public accountants or the equivalent in another state and shall give the name of

each person who will be engaged in the practice of public accounting in this state in the performance of the professional engagement which is the subject of the application;”.

SECTION 9.

Said chapter is further amended by striking subsection (a) of Code Section 43-3-25, relating to continuing professional education requirements, and inserting in its place the following:

“(a) Every application for renewal of a live permit by any individual who is and has been certificated as a certified public accountant or registered as a foreign accountant by this state for one year or more shall be accompanied or supported by such evidence as the board shall prescribe of satisfactory completion of continuing professional education as provided in this Code section, provided that the board may relax or suspend requirements of continuing professional education in instances where an applicant’s health requires it or in instances of individual hardship.”

SECTION 10.

Said chapter is further amended by striking the introductory language of subsection (a) of Code Section 43-3-28, relating to revocation, suspension, or refusal to renew certificate, registration, or permit and immunity, and inserting in its place the following:

“(a) After notice and hearing as provided in Code Section 43-3-30, the board may revoke or suspend any certification issued under Code Sections 43-3-6 through 43-3-12 or a registration issued under Code Section 43-3-20 or may revoke, suspend, or refuse to renew any live permit or may censure the holder of any such permit for any cause which the board may deem sufficient, including, without limiting the generality of the foregoing, any one or any combination of the following causes:”.

SECTION 11.

Said chapter is further amended by striking subsections (c) and (d) of Code Section 43-3-35, relating to use of titles or devices, false or fraudulent claims, and regulation of solicitation of employment; by redesignating subsections (f), (g), (h), and (i) as subsections (d), (e), (f), and (g), respectively; and by striking subsection (e) and inserting in its place the following:

“(c) No individual, firm, or any other person or entity shall assume or use: (1) any title or designation likely to be confused with 'certified public accountant,' including, without limiting the generality of the foregoing, 'certified accountant,' 'enrolled accountant,' 'licensed accountant,' 'licensed public accountant,' or 'registered accountant'; or (2) any abbreviation likely to be confused with 'C.P.A.,' including, without limiting the generality

of the foregoing, 'C.A.,' 'E.A.,' 'R.A.,' 'L.A.,' or 'L.P.A.,' provided that a foreign accountant registered under Code Section 43-3-20 who holds a live permit and all of whose offices in this state for the practice of public accountancy are maintained and registered as required under Code Sections 43-3-21 and 43-3-23 may use the title under which he or she is generally known in his or her country, followed by the name of the country from which he or she received his or her certificate, license, or degree."

SECTION 12.

Chapter 40 of Title 43 of the Official Code of Georgia Annotated, relating to real estate brokers and salespersons, is amended by striking paragraph (14) of subsection (a) of Code Section 43-40-29, relating to exceptions to operation of chapter, and inserting in its place the following:

"(14) A licensed certified public accountant acting solely as an incident to the practice of public accounting."

SECTION 13.

Article 13 of Chapter 1 of Title 7 of the Official Code of Georgia Annotated, relating to licensing of mortgage lenders and mortgage brokers, is amended by striking paragraph (2) of Code Section 7-1-1000, relating to definitions, and inserting in its place the following:

"(2) 'Audited financial statement' means the product of the examination of financial statements in accordance with generally accepted auditing standards by an independent certified public accountant, which product consists of an opinion on the financial statements indicating their conformity with generally accepted accounting principles."

SECTION 14.

Chapter 12 of Title 16 of the Official Code of Georgia Annotated, relating to offenses against health and morals, is amended by striking subsection (j) of Code Section 16-12-22.1, relating to raffles operated by nonprofit, tax-exempt organizations, and inserting in its place the following:

"(j) On or before April 15 of each year, every nonprofit, tax-exempt organization engaged in operating raffles shall file with the sheriff a report disclosing all receipts and expenditures relating to the operation of raffles in the previous year. The report shall be in addition to all other reports required by law. The report shall be prepared and signed by a certified public accountant competent to prepare such a report and shall be deemed a public record subject to public inspection."

SECTION 15.

Said chapter is further amended by striking Code Section 16-12-59, relating to annual report to be filed with the director of the Georgia Bureau of Investigation by bingo game operators, and inserting in its place the following:

"16-12-59.

On or before April 15 of each year, every nonprofit, tax-exempt organization engaged in operating bingo games shall file with the director a report disclosing all receipts and expenditures relating to the operation of bingo games in the previous year. The report shall be in addition to all other reports required by law. The report shall be prepared and signed by a certified public accountant competent to prepare such a report and shall be deemed a public record subject to public inspection."

SECTION 16.

This Act shall become effective on July 1, 2005.

SECTION 17.

All laws and parts of laws in conflict with this Act are repealed.